(xi) Empowering the Board of NHAI to accept single bids after examining the reasonableness of the same.

(xii) Raising of overall VGF cap of 5% to 10% for the entire six-laning programme, and consideration of individual projects in low traffic GQ stretches with VGF up to 20% within an overall cap of 500 Km out of the 5080 Km of the Phase-V programme yet to be awarded.

(xiii) Funding of the NHDP Projects under SARDP-NE and in Jammu & Kashmir with Additional Budgetary Support (ABS) over and above the cess that the Government provides to NHAI on a yearly basis.

(xiv) 'In Principle' approval of the Government Support to the NHAI for:-

a. Issuance of Tax exempted bonds

b. Guarantee cover to the Borrowing Plan of NHAI.

c. Out of the borrowing approval of Rs.30,000 crores earlier provided to Indian Infrastructure Finance Company Limited (IIFCL), Rs. 10,000 crores under the fiscal stimulus package will be transferred to NHAI, as per the its borrowing requirement.

d. Assistance in negotiating non-sovereign multilateral loans from World Bank, ADB, JBIC etc. by providing back to back support, if necessary.

e. Providing a Letter of Comfort from Ministry of Finance confirming the availablity of Cess at least till 2030-31.

Review of bidding procedure

1490. SHRI JABIR HUSAIN:

DR. T. SUBBARAMI REDDY:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government has finally cut red tape that kept the road sector tied down;

(b) whether he has decided on bidding procedure and made changes to bid documents effectively keeping Planning Commission out of the entire process;

(c) whether private sector virtually lost interest in road projects over the last two years after Planning Commission advised and introduced string of tricky clauses in bid documents;

(d) if so, whether Planning Commission recommended that his Ministry be given a free hand in making changes to request for qualification etc; and

(e) if so, to what extent this position has helped in completing road projects?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH) : (a) to (e) With a view to resolve the procedural impediments, Government has

approved the recommendations made by Shri B. K. Chaturvedi Committee as per the summarised details given in the Statement. [Refer to Statement appended to the answer USQ No. 1489 Part (a) to (c)]

It has been decided by the Government that henceforth all changes in the RFQ/ RFP will be carried out by the Ministry of Road Transport & Highways (MoRT&H) on the basis of recommendation of NHAI Board. MCA related issues would be referred to an Inter-Ministerial Group (IMG) under the Chairmanship of Secretary, MoRT&H with representatives of DEA, Department of Expenditure, Planning Commission and Ministry of Law and Justice. Where there is unanimity in the decision, the same will be then put up to the Minister, Road Transport & Highways for approval. Where there is no unanimity in the decision, the matter will be placed before the Empowered Group of Ministers (EGoM) comprising the Finance Minister, Minister of Road Transport & Highways and Deputy Chairman, Planning Commission. The recommendations of the Committee headed by Shri B. K. Chaturvedi have been approved recently and many of the concerns of the bidders have been adequately addressed with a view to facilitate their participation in road projects with greater interest.

Arbitration cases of road projects

1491. SHRI VIJAY JAWAHARLAL DARDA:

SHRIMATI SHOBHANA BHARTIA:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government is aware that nearly 9000 crore is locked in arbitration cases related to road projects in the country;

(b) if so, the facts and details thereof;

(c) whether the World Bank has asked Government to set up a road appellate tribunal and mainstream pre-construction and post-construction clearances in order to build a better roads network; and

(d) if so, the reaction of Government on the views of the World Bank and the steps taken by Government to clear the arbitration cases expeditiously?

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N. SINGH): (a) and (b) There are 163 Arbitration cases comprising approximately 1000 number of disputes amounting to Rs. 8508.77 crores relating to highway projects under National Highway Development Project (NHDP). 85 cases of already published Arbitral Award are pending before different Courts comprising 380 numbers of disputes amounting to Rs. 593.73 crores.

(c) and (d) No formal reference has been received from the World Bank. However, World Bank in its study report of November, 2008 has suggested for setting up a road appellate tribunal for dispute resolution and specialized pre-construction units for environmental, forest and other clearances including land acquisition. Government is seized of the matter relating to expediting dispute resolution process.